

CHAIN ANALYSIS

- Status of Chains sold:

A Players:	Players in the market today and tomorrow
B Players:	Players in the market today but not tomorrow
C Players:	Not players today but will be players tomorrow
D Players:	Not players today or tomorrow

Pack Outlet Chains

A Players:	Total CIV: 232132 Contracted CIV: 163948	Total # Accounts: 1669 Total # Accounts Contracted 1082
B Players:	Total CIV: 54528 Contracted CIV: 40619	Total # Accounts: 447 Total # Accounts Contracted 238
C Players:	Total CIV: 9295 Contracted CIV: 5829	Total # Accounts: 82 Total # Accounts Contracted 40
D Players:	Total CIV: 15984 Contracted CIV: 2046	Total # Accounts: 198 Total # Accounts Contracted 22

Pack Outlet Action Plan - Status and Plans To Address:

- Presently contracted across 71% of A ranked chains and 74% of B ranked chains.
- The Region has targeted the following chains with our contracts. We are at different stages of presentation/negotiation.
 - Wilson Farms (93 stores/A rank)
 - Orloskis (31 stores/A rank)
 - Byrne Dairy (54 stores /B rank)
 - R.L. Vallee (10 stores/A rank)
 - Pump & Pantry (10 stores/A rank)
- Currently in negotiation with Fays Drug Stores (254 stores/B rank). See top 150 status for detail.
- C and D ranked chain stores presently under contract are selectively chosen for RJR benefit. Low volume, non productive calls are not contracted

CHAIN ANALYSIS - CONTINUED

Carton Outlet Chains

A Players	Total CIV: <u>87655</u> Contracted CIV: <u>83331</u>	Total # Accounts: <u>184</u> Total # Accounts Contracted <u>168</u>
B Players:	Total CIV: <u>46711</u> Contracted CIV: <u>36897</u>	Total # Accounts: <u>201</u> Total # Accounts Contracted <u>141</u>
C Players:	Total CIV: <u>0</u> Contracted CIV: <u>0</u>	Total # Accounts: <u>0</u> Total # Accounts Contracted <u>0</u>
D Players:	Total CIV: <u>49887</u> Contracted CIV: <u>25438</u>	Total # Accounts: <u>287</u> Total # Accounts Contracted <u>116</u>

Carton Outlet Action Plan - Status and Plans To Address:

- Desired CIV in A and B ranked chains is contracted. Presently covering 95% of the CIV in A ranked chains and 79% in B ranked chains.
- Negotiating with Market Basket (19 stores/D rank) and Jubilee Super (15 stores/D rank) to contract selected locations.
- Smith Market (9 stores/D rank) currently being evaluated due to declining volume. RAS contract to be presented to Chain.
- Big V Shop Rite (30 contracted D locations) recently transferred from the Boston to Buffalo Region. Contracts to be evaluated.
- Price Chopper (73 contracted D locations) to be evaluated.

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CHAIN ANALYSIS - CONTINUED

Cigarette Outlet Chains

A Players:	Total CIV: 81889 Contracted CIV: 81889	Total # Accounts: 20 Total # Accounts Contracted 20
B Players:	Total CIV: 0 Contracted CIV: 0	Total # Accounts: 0 Total # Accounts Contracted 0
C Players:	Total CIV: 0 Contracted CIV: 0	Total # Accounts: 0 Total # Accounts Contracted 0
D Players:	Total CIV: 0 Contracted CIV: 0	Total # Accounts: 0 Total # Accounts Contracted 0

Cigarette Outlet Action Plan - Status and Plans To Address:

- Plan to remain contracted across 100% of CIV.

LOW VOLUME ANALYSIS

- Pack Outlets - Pay Point Analysis

Volume 0-99 Cartons/Week

	0-75	76-99	Total 0-99
# Of Accounts Contracted	<u>348</u>	<u>299</u>	<u>647</u>
Chains	<u>277</u>	<u>202</u>	<u>479</u>
Independent	<u>71</u>	<u>97</u>	<u>168</u>

Low Volume Pack Outlet Action Plan - Status and Plans To Address:

0-75

- Currently addressing this volume category.
- 0-50 CPW locations with contracts being cut. Stores were located in the Buffalo & Syracuse Markets. Indian reservation outlets continue to take volume from traditional stores in these markets.
- \$120,000 - of annual contract liability cut from chains in this volume category during April.
- Objective in 50-75 C.P. W. locations is to sell Doral low volume business building contract in selected locations if beneficial to RJR.
- 70 Fays Drug locations are included in this 0-75 category.. We are currently in negotiations with this chain to contract only selected locations.
- Sales force to be given target list of contracted stores in this volume category to evaluate and make desired changes.
- Region status to be evaluated in mid June.

76-99

- 251 accounts in this volume category to be kept in place until July 1996. New York state to act on Indian Reservation tax proposal at the time. If the state is successful in collecting taxes, a significant volume increase will be experienced in these outlets.
- Remaining 48 accounts to be evaluated and non productive contracts cut.
- Region status to be evaluated in mid June.

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LOW VOLUME ANALYSIS

- Carton Outlets - Pay Point Analysis

Volume 0-200 Cartons/Week

	0-100	101-200	Total 0-200
# Of Accounts Contracted	54	129	183
Chains	47	103	150
Independent	7	26	33

Low Volume Carton Outlet Action Plan - Status and Plans To Address:

0-100

- All carton contracts in 0-100 volume category currently being cut.

101-200

- 50% of carton contracts in 101-200 volume category to be cut.
- Remaining 50% of carton contracts in 101-200 volume break to be kept in place until July of 1996. New York state to act on Reservation Tax proposal at that time. If the state is successful in collecting taxes, a volume increase will be experienced in these outlets.
- Sales force given a target list of contracted stores in these volume categories for evaluation and action.
- Region status to be evaluated in mid June.

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% CIV PROJECTIONS

- What are your plans to maximize the level of CIV under contract within your region?
Pack, Carton, and Cigarette Outlet

Pack Outlets - Pay Point

Region Total Package CIV <u>1025762</u>	Total # Of Accounts <u>12225</u>
Total 100+ CPW CIV (Contract & Non-Contract) <u>674880</u>	# Of Accounts 100+ /CPN Total (Contracted & Non-Contracted) <u>3529</u>
Total Contracted 100+ CPW CIV <u>478749</u> <u>2458</u>	# Of Accounts 100+ Contracted

Opportunity and Action Plans in 100+ CPW & Pack Outlets:

Chain

- Key Account and Account Managers evaluating chain status ongoing for opportunities.
- The region is aggressively attempting to secure merchandising contracts in the following chains:
 - Wilson Farms (93 stores)
 - Orloskis (31 stores)
 - Byrne Dairy (54 stores)
 - R.L. Vallee (10 stores)
 - Pump and Pantry (10 stores)

Independents

- Divisions given target lists of accounts without RJR contracts and corresponding CIV for evaluation . Critical accounts to be identified and targeted with sales presentations.
- Status to be evaluated in mid June.

Current Package CIV Under Contract \$20,000 50.7%

Region Projected Pay Point Total CIV
in Pack Outlets 50%

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% CIV PROJECTIONS - CONTINUED

- Carton Outlets - Pay Point

Region Total Carton CIV <u>258145</u>	# Of Accounts <u>1149</u>
200+ CPW CIV <u>195736</u>	# Of Accounts <u>454</u>
Contracted 200+ CPW CIV <u>155236</u>	# Of Accounts 200+ Contracted <u>343</u>

Opportunity and Action Plans in 200+ CPW & Carton Outlets:

Chain

- Key Account Manager and Account Managers evaluating chain merchandising status ongoing for opportunities.
- The Region is attempting to secure merchandising contracts in the following chains:
 - Market Basket (19 stores/selected locations)
 - Jubilee Supermarkets (15 stores/selected locations)

Independents

- Divisions given target lists of accounts without RJR contracts and corresponding CIV for evaluation. Critical accounts to be identified and targeted with sales presentations.
- Status to be evaluated in mid June.

Current Carton CIV Under Contract	<u>178504</u> Cartons	<u>69.1%</u>
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Region Projected Pay Point Total CIV In Carton Outlets	<u>63.8%</u>
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% CIV PROJECTIONS - CONTINUED

• Cigarette Outlets - Pay Point

Region Total Cig. Outlets CIV <u>444,522</u>	# Of Accounts <u>203</u>
500+ CPW CIV <u>437,028</u>	# Of Accounts <u>167</u>
Contracted 500+ CPW CIV <u>427,591</u>	# Of Accounts 500+ Contracted <u>161</u>

Opportunity and Action Plans in 500+ CPW & Carton Outlets:

- Region presently covering 100% of targeted CIV.
- No RJR benefits would be realized by covering non-contracted CIV. Remaining accounts carry limited industry distribution.

Current Cig. Outlet CIV Under Contract	<u>433,057</u> Cartons	<u>97.4%</u>
Region Projected Pay Point CIV	<u>97.4%</u>	

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TOP 150 CHAIN STATUS

BUFFALO REGION

Stewarts (255 CN Locations)

- RJR/B&W co-existence in place.
- RJR Level 1 contract in place.

Fays Drug (254 DG Locations)

- RJR/PM co-existence in place.
- Chain has offered RJR the Category Advisor position with exclusive merchandiser supplier rights.
- Concerns relative to the future of the category exist. Fays is trying to build a greater health conscious image.
- Store sales average 103 CPW with a distinct mix of high and low volume locations.
- RJR objective is to maintain our merchandising position without the burden of fixture cost. We are seeking a cost share deal tied in with a long term commitment for selected locations. There is a possibility that we will walk if we can't work out a beneficial program. Negotiations continue.

Tops (63 SM Locations)

- RJR/PM co-existence in place.
- RJR Level II contract in place.

Wegmans (50 SM Locations)

- RJR presently exclusive. PM negotiating a co-existence set up with chain.
- RJR Level II contract in place.

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